IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

No. 1:06-cv-00495 (SLR)

QUINSTREET, INC.,

Plaintiff,

v.

EPICREALM LICENSING, LP,

Defendant.

DECLARATION OF MICHAEL MCDONOUGH

- I, Michael McDonough declare as follows:
- 1. My name is Michael McDonough. I am over the age of 21 and am competent to make this declaration. I have personal knowledge of the facts described herein, and those facts are true and correct to the best of my knowledge.
- 2. I am Vice President and General Counsel of QuinStreet, Inc. ("Quinstreet") and Manager of QuinStreet LLC, a subsidiary of QuinStreet. QuinStreet is a California corporation with its corporate office in Foster City, California.
- 3. Since 1999, QuinStreet has been the leader in on-line direct marketing by offering a full-service approach that combines direct marketing expertise, extensive search and media reach, and industry-leading technologies. QuinStreet serves more than 200 clients who offer over 300 product and/or service brands. Most of these clients purchase customer leads that QuinStreet generates by operating thousands of customer lead-generating web sites visited daily by hundreds of thousands of people, including citizens of Delaware. QuinStreet also provides web site hosting services to a number of clients. All of these sites generate dynamic web pages.

In a recent Nielsen survey of all Internet participants, QuinStreet ranked 8th in estimated on-line advertising spending.

- 4. QuinStreet markets and sells these services directly or through subsidiary entities to customers located throughout the United States. Not surprisingly, among QuinStreet's many clients are at least three entities that are citizens of Delaware: (i) The University of Delaware Newark, Delaware 19716; (ii) First USA Visa 2711 Centerville Road, Suite 400, Wilmington, Delaware, 19808; and (iii) P.J. Fitzpatrick, Inc. 21 Industrial Blvd., New Castle, Delaware, 19720.
- 5. QuinStreet is also the ultimate beneficial owner of Coyote Publishing, LLC ("Coyote"), which operates indirectly as a subsidiary of QuinStreet. Coyote is organized in Delaware. Coyote publishes dynamic web pages that may be deemed to infringe on Defendant epicRealm's U.S. Patent Nos. 5,894,554 ("the '554 Patent") and 6,415,335 ("the '335 Patent").
- 6. Another of QuinStreet's indirect subsidiaries operates the "faceyourkitchen.com" website which features dynamic web pages and is hosted in Delaware. These web pages may be deemed to infringe on Defendant epicRealm, LLC's '554 Patent and '335 Patent.
- QuinStreet decided to file this action against Defendant epicRealm for all the reasons set forth in its Complaint, including specifically the fact that a QuinStreet customer which is not a party to any litigation brought by epicRealm has informed QuinStreet that in view of the epicRealm patent actions, it is canceling its contract with QuinStreet. QuinStreet is concerned that other customers will do the same, or seek indemnity from it based on future infringement claims against such customers by epicRealm.

- 8. QuinStreet elected to file the above-captioned action in Delaware for at least the following reasons:
 - (a) QuinStreet was highly doubtful whether it would be able to obtain personal jurisdiction over Defendant epicRealm, LLC in California;
 - (b) Defendant epicRealm, LLC is organized in Delaware, therefore, personal jurisdiction was assured in Delaware;
 - (c) The U.S. District Court for the District of Delaware provides a more neutral forum than the U.S. District Court for the Eastern District of Texas in Marshall, Texas;
 - (d) The U.S. District Court for the District of Delaware is experienced in patent matters and can provide an efficient resolution of QuinStreet's claims;
 - (e) Delaware also provides a more convenient location to QuinStreet's witnesses, who it is anticipated would be coming to court from Newark, Delaware, the Silicon Valley of California, Chicago, Illinois, London, England and Pune, India. Air transportation to Philadelphia would leave QuinStreet witnesses with a short commute to Wilmington, Delaware whereas travel to Marshall, Texas would require air transportation to Dallas, followed by a nearly three hour drive;
 - (f) Because of QuinStreet's indemnification obligations to Herbalife, a party to Defendant epicRealm's suits in the Eastern District of Texas, should QuinStreet be required to join the litigation in Texas, QuinStreet could find itself in conflict with its indemnitee, Herbalife;
 - (g) An action was already pending in Delaware, filed by Oracle, Corp. and several of QuinStreet's dynamic web page generating systems utilize Oracle software.
- 9. Subsequent to filing its complaint for declaratory relief, QuinStreet engaged an expert from the University of Delaware.
- 10. In excess of 95% of the dynamic web pages generated by systems offered to clients or operated by QuinStreet are irrelevant to, and substantially different from those under scrutiny in the action pending in the Eastern District of Texas because those systems incorporate hardware/software platforms that differ substantially from those involved with Herbalife.

Moreover, QuinStreet and all of QuinStreet's customers other than Herbalife use dynamic web page generating systems not implicated in the pending Texas litigation.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge and belief.

Dated: September 12, 2006

Michael McDonough

CERTIFICATE OF SERVICE

I hereby certify that on September 12, 2006, I caused to be served by hand delivery the foregoing document and electronically filed the same with the Clerk of Court using CM/ECF which will send notification of such filing(s) to the following:

Michael F. Bonkowski, Esquire Kimberly L. Gattuso, Esquire Saul Ewing LLP 222 Delaware Avenue, Suite 1200 P.O. Box 1266 Wilmington, DE 19899-1266

I hereby certify that on September 12, 2006, I sent by Federal Express the foregoing document to the following non-registered participants:

Larry D. Carlson, Esquire Kevin J. Meek, Esquire Jeff Moles, Esquire Baker Botts LLP 2001 Ross Avenue Dallas, TX 75201-2980

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